

# FISCAL NOTE

## HB 682 - SB 1333

March 10, 1997

**SUMMARY OF BILL:** Provides that municipalities and counties may impose a hotel/motel tax by a 2/3 vote for a municipal ordinance and a 3/4 vote for a county resolution, each at 2 consecutive meetings of the respective governing bodies. The rate of such tax would be set by the ordinance or resolution. Current law limits the rate at *"not to exceed 5% of the consideration charged by the operator"*. The bill also removes the option, currently in the law, of holding an election to decide the question. The bill also would make such tax applicable to state and local governmental entities.

### ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - Not Significant**

**Increase Local Govt. Expenditures - Not Significant**

**Increase Local Govt. Revenues - Exceeds \$100,000 / Permissive**

Assumes an increase in local government revenues exceeding \$100,000 to the extent that several municipalities and/or counties choose to levy or increase such a tax.

Assumes an increase in state and local government expenditures to the extent that such entities would be required to pay occupancy tax that they would not pay in the absence of the bill. Since many government entities already pay such tax, the increase is not estimated to be significant.

### CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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